



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TX 75202-2733

March 24, 2005

James C. Morriss III
Thompson & Knight LLP
1900 San Jacinto Center
98 San Jacinto Boulevard
Austin, TX 78701-4081

RE: Gulfco Marine Maintenance Superfund Site in Freeport Texas

Dear Mr. Morriss:

Thank you for your letters of March 9 and 16, 2005, concerning the Gulfco Marine Maintenance Superfund Site (Gulfco Site). The Environmental Protection Agency (EPA) appreciates your written proposal outlining entering into an Administrative Order on Consent (AOC) with EPA to investigate and clean up the Gulfco Site. We look forward to working with you to assure that the Gulfco Site can be successfully remediated in a manner which protects human health and the environment and provides a basis for EPA to delist the site from the National Priorities List (NPL) upon completion of the response action.

In order to move forward in discussions regarding the proposed AOC for the Gulfco Site, we need additional information which will provide a more complete explanation of your proposal and the steps you are willing to perform to meet the needs EPA has identified. At the March 7, 2005, meeting, the Regional Administrator identified a number of requirements which must be addressed in any response action in order for EPA to assure that its responsibilities have been met and to allow delisting of the Gulfco Site from the NPL. In particular, he emphasized that any AOC must provide for the following:

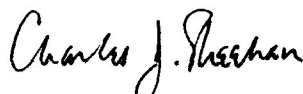
- EPA oversight of the investigation and clean up;
- appropriate public participation;
- a mechanism to assure that all appropriate response actions are completed; and
- assurance that the response is consistent with other NPL actions.

Further, the Regional Administrator explained his concerns, and ours, that the Texas Voluntary Cleanup Program (Texas VCP) process, although useful in many cases, will not provide all of the assurances that EPA needs for the Gulfco Site.

Our understanding from the meeting was that your group consisting of Dow, Sequa, and LDL Coastal (hereinafter referred to as "Potentially Responsible Parties [PRP] Group") agreed to explore entering into an AOC consisting of an investigation and cleanup under appropriate state law, but addressing the federal requirements identified by the Regional Administrator.

We are committed to working with you to try to resolve remediation of the Gulfco Site quickly. In order to address these issues in the most efficient manner, we propose that a meeting be scheduled to discuss your proposal and the details of how you intend to address the requirements identified by the Regional Administrator. I have asked Barbara Nann, the Gulfco Site attorney, to contact you to schedule a meeting at the earliest point which our mutual schedules allow. If you have additional questions, she may be reached at 214-665-2157.

Sincerely yours,



Charles J. Sheehan
Regional Counsel (6RC)



Samuel J. Coleman, Director
Superfund Division (6SF)

cc: Bill Mailey
Alan Daniels
Lawrence E. Starfield